

Q3'16 sees a further decline in funding to **\$24.1B**, the lowest quarterly funding since Q3'14.

Entrants to the unicorn club remain in the single digits in Q3'16.



Deal activity stabilizes at new normal with Q3'16 VC deals totaling 1983 globally



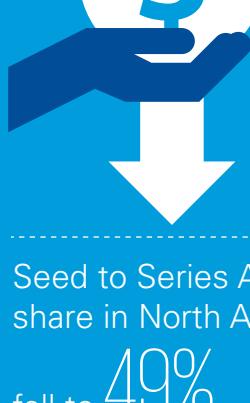
Corporates and CVCs participated in over

28%

of global deals, reaching a 5-quarter high as corporations actively invest in VC-backed companies.



North America



US funding dropped to **\$14B**, down 18% from Q2'16. Quarterly VC deals stood at **1067**, slightly down from the previous quarter.

Median late-stage VC deal size in **North America** ended the quarter at **\$22.4M**, down 34% from the heady sizes seen in Q3'15.



Seed to Series A deal share in North America

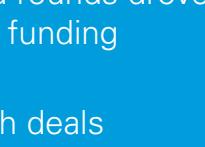
fell to **49%** of all deals to VC-backed companies, representing a 5-quarter low.



The median size of early stage VC deals in North America remained at **\$3M**, well above that of Europe and Asia.



California VC funding was **38%** down from the prior quarter. However, mega-rounds drove Massachusetts funding **96%** up, with deals rising as well.



Europe

Total VC funding in Europe came in at **\$2.3B** across 468 deals. The second consecutive quarter where deal activity has rose while funding dollars fell.



In Europe, Q3'16 has maintained Q2'16 levels in seed-stage VC deals, representing **48%** of the quarterly total.



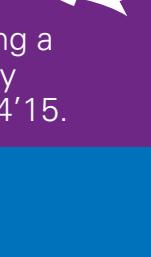
Total funding to German VC-backed startups rose 3% to **\$509M** in Q3'16, growing for the second-straight quarter. Deal activity also saw slight gains.



Median early-stage VC deal sizes in Europe dropped for the second-consecutive quarter, falling to **\$1.5M** for the quarter.



UK VC-backed startups raised **\$834M** in funding across 110 deals, both numbers reversing a series of quarterly declines since Q4'15.



In Asia, VC deals slid a further 5% to **323**, marking the fourth-straight quarterly decline. Funding dollars totaled **\$7.2B**, a 3% dip from Q2'16.



After 3 quarters of growth in the seed share of deals into VC-backed Asian companies, Q3'16 saw a sharp decline to **29%** from **40%** the quarter before.



Q3'16 saw a steep drop in Asian late-stage VC deal size, which cratered to **\$30M**.



A dearth of mega-rounds pushed India VC funding below **\$600M** in Q2'16, but Q3'16 saw the total rise above **\$1B** once more.



Corporates and CVC participated in nearly half of Asian VC deals **45%** hitting for the quarter.

